

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**TOWNSHIP OF AURELIUS**

**INGHAM COUNTY, MICHIGAN**

**MARCH 31, 2004**

# AUDITING PROCEDURES REPORT

Issued under P.A. 2 of 1968, as amended. Filing is mandatory.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>AURELIUS</b>	County <b>INGHAM</b>
Audit Date <b>3-31-04</b>	Opinion Date <b>6-8-04</b>	Date Accountant Report Submitted to State: <b>6-24-04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- |   |   |
|---|---|
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).  |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).  |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year). |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).   |
| <input type="checkbox"/> yes <input checked="" type="checkbox"/> no | 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).  |

## We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) <b>JAMES M. IRELAND, P.C.</b>			
Street Address <b>6920 S. CEDAR ST., SUITE #3</b>	City <b>LAWSING</b>	State <b>MI</b>	ZIP <b>48911-6924</b>
Accountant Signature <b>James M. Ireland, CPA</b>			

## TOWNSHIP OF AURELIUS

### TOWNSHIP BOARD

Larry Silsby	-	Supervisor
Judith Clark	-	Treasurer
Donna Lawson	-	Clerk
Larry Johnson	-	Trustee
David Droscha	-	Trustee

TOWNSHIP OF AURELIUS  
INGHAM COUNTY, MICHIGAN

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***JAMES M. IRELAND, P.C.***

CERTIFIED PUBLIC ACCOUNTANT  
6920 S. CEDAR ST., STE 3, LANSING, MI 48911-6924  
(517) 699-5320 • FAX (517) 694-4793

**Independent Auditor's Report**

Members of the Township Board  
Township of Aurelius  
Ingham County, Michigan

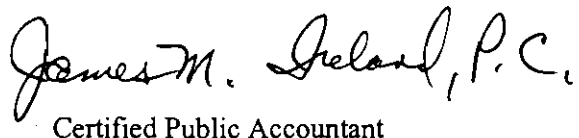
**Boardmembers:**

I have audited the accompanying general purpose financial statements of the Township of Aurelius as of and for the year ended March 31, 2004, as listed in the table of contents. These general purpose financial statements are the responsibility of the township's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Aurelius as of March 31, 2004, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining, individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the Township of Aurelius. The information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in my opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.



Certified Public Accountant

June 8, 2004

## TOWNSHIP OF AURELIUS

## COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

March 31, 2004

With Comparative Totals for March 31, 2003

	Governmental Fund Type			Fiduciary Fund Type	Account Group	Totals	
	General	Fire	Park	Trust and Agency	General Fixed Assets	(Memorandum Only)	
						3/31/04	3/31/03
<u>Assets</u>							
Cash	\$ 244,448	\$ 92,000	\$ 9,382	\$ 49,264	\$ -	\$ 395,094	\$ 345,559
Investments	-	-	-	161,961	-	161,961	142,633
Taxes receivable	6,852	3,604	-	-	-	10,456	11,762
Due from other funds	1,000	-	-	-	-	1,000	1,000
Fixed assets	-	-	-	-	911,720	911,720	885,314
<u>Total Assets</u>	<u>\$ 252,300</u>	<u>\$ 95,604</u>	<u>\$ 9,382</u>	<u>\$ 211,225</u>	<u>\$ 911,720</u>	<u>\$ 1,480,231</u>	<u>\$ 1,386,268</u>
<u>Liabilities and Fund Equity</u>							
Liabilities:							
Special use bonds	\$ 1,600	\$ -	\$ -	\$ -	\$ -	\$ 1,600	\$ 1,600
Due to other funds	-	-	-	1,000	-	1,000	1,000
Total Liabilities	1,600	-	-	1,000	-	2,600	2,600
Fund Equity:							
Investment in general fixed assets	-	-	-	-	911,720	911,720	885,314
Fund Balance:							
Reserved	-	95,604	9,382	210,225	-	315,211	260,490
Unreserved	250,700	-	-	-	-	250,700	237,864
Total Fund Equity	250,700	95,604	9,382	210,225	911,720	1,477,631	1,383,668
<u>Total Liabilities and Fund Equity</u>	<u>\$ 252,300</u>	<u>\$ 95,604</u>	<u>\$ 9,382</u>	<u>\$ 211,225</u>	<u>\$ 911,720</u>	<u>\$ 1,480,231</u>	<u>\$ 1,386,268</u>

See accompanying notes to financial statements.

## TOWNSHIP OF AURELIUS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES

Years Ended March 31, 2004 and 2003

	General Fund	Fire Fund	Park Fund	Totals 3/31/04	3/31/03
<u>Revenues</u>					
Taxes	\$ 118,124	\$ 54,897	\$ -	\$ 173,021	\$ 163,489
Licenses and permits	53,962	-	-	53,962	58,598
State grants	230,544	-	-	230,544	249,119
Charges for services	4,646	12,235	-	16,881	8,879
Miscellaneous	14,523	489	8,382	23,394	13,592
Total Revenues	421,799	67,621	8,382	497,802	493,677
<u>Expenditures</u>					
Legislative	100,820	-	-	100,820	101,397
General government	130,693	-	-	130,693	130,393
Public safety	47,225	44,635	-	91,860	84,245
Public works	61,055	-	-	61,055	39,832
Culture and recreation	25,989	-	-	25,989	28,991
Other functions	17,535	-	-	17,535	16,883
Capital outlay	26,706	-	-	26,706	43,349
Total Expenditures	410,023	44,635	-	454,658	445,090
Excess (Deficiency) of Revenues over Expenditures	11,776	22,986	8,382	43,144	48,587
<u>Other Sources (Uses)</u>					
Operating transfers in (out)	1,060	-	1,000	2,060	2,067
Excess (Deficiency) of Revenues and Other Sources over Expenditures	12,836	22,986	9,382	45,204	50,654
Fund Balance, April 1	237,864	72,618	-	310,482	259,828
<u>Fund Balance, March 31</u>	<u>\$ 250,700</u>	<u>\$ 95,604</u>	<u>\$ 9,382</u>	<u>\$ 355,686</u>	<u>\$ 310,482</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ALL GOVERNMENTAL FUND TYPES

Year Ended March 31, 2004

	General Fund			Fire Fund		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>						
Taxes	\$ 122,200	\$ 118,124	\$ (4,076)	\$ 56,000	\$ 54,897	\$ (1,103)
Licenses and permits	74,500	53,962	(20,538)	-	-	-
State grants	250,000	230,544	(19,456)	-	-	-
Charges for services	4,800	4,646	(154)	4,000	12,235	8,235
Miscellaneous	15,500	14,523	(977)	900	489	(411)
Total Revenues	467,000	421,799	(45,201)	60,900	67,621	6,721
<u>Expenditures</u>						
Legislative	116,570	100,820	15,750	-	-	-
General government	140,374	130,693	9,681	-	-	-
Public safety	57,560	47,225	10,335	46,800	44,635	2,165
Public works	62,390	61,055	1,335	-	-	-
Culture and recreation	30,147	25,989	4,158	-	-	-
Other functions	18,850	17,535	1,315	-	-	-
Capital outlay	40,580	26,706	13,874	-	-	-
Total Expenditures	466,471	410,023	56,448	46,800	44,635	2,165
Excess (Deficiency) of Revenues Over Expenditures	529	11,776	11,247	14,100	22,986	8,886
<u>Other Sources</u>						
Operating transfers in (out)	2,100	1,060	(1,040)	-	-	-
Excess (Deficiency) of Revenues and Other Sources over Expenditures	2,629	12,836	10,207	14,100	22,986	8,886
Fund Balance, April 1	237,864	237,864	-	72,618	72,618	-
Fund Balance, March 31	\$ 240,493	\$ 250,700	\$ 10,207	\$ 86,718	\$ 95,604	\$ 8,886

See accompanying notes to financial statements.



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Park Fund		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
3,015	8,382	5,367
3,015	8,382	5,367
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
3,015	8,382	5,367
-	1,000	1,000
3,015	9,382	6,367
-	-	-
\$ 3,015	\$ 9,382	\$ 6,367

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TOWNSHIP OF AURELIUS  
CEMETERY PERPETUAL CARE FUND

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE

Years Ended March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Operating Revenues</u>		
Interest earned	\$ 2,060	\$ 2,067
Perpetual care - lot sales	<u>3,025</u>	<u>3,150</u>
Total Operating Revenues	5,085	5,217
<u>Operating Transfers Out</u>		
Transfers to general fund	<u>2,060</u>	<u>2,067</u>
Net Income	3,025	3,150
Fund Balance, April 1	<u>45,239</u>	<u>42,089</u>
<u>Fund Balance, March 31</u>	<u><u>\$ 48,264</u></u>	<u><u>\$ 45,239</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
CEMETERY PERPETUAL CARE FUND

STATEMENT OF CASH FLOWS

Years ended March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Operating Activities</u>		
Net income	\$ 3,025	\$ 3,150
Adjustments to reconcile net income to cash provided by operating activities:		
Changes in receivables:		
Interest receivable	<u>-</u>	<u>-</u>
Net Cash Provided by Operating Activities	3,025	3,150
<u>Investing Activities</u>		
Investment cashed in	-	-
Purchase of certificates of deposit	<u>-</u>	<u>-</u>
Net Cash Used in Investing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash	3,025	3,150
Cash at Beginning of Year	<u>3,450</u>	<u>300</u>
<u>Cash at End of Year</u>	<u>\$ 6,475</u>	<u>\$ 3,450</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

In accordance with generally accepted accounting principles and Governmental Accounting Standards Board (GASB) Statement No. 14 "The Financial Reporting Entity", these financial statements present the Township of Aurelius and its component units. The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included.

**Basis of Presentation**

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Township of Aurelius are recorded in separate funds and account groups, categorized as follows:

**GOVERNMENTAL FUNDS**

**General Fund**

This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of: (1) general governmental departments, boards and commissions; (2) law enforcement; and (3) health, welfare and medical assistance. The fund includes the general operating expenditures of the local unit.

**Special Revenue Funds**

These funds include the Fire Fund. These funds are used to account for specific revenue (other than expendable trusts or major capita projects) derived from State and Federal grants, General Fund appropriations and charges for services which are to be expended for specific purposes as dictated by legal, regulatory or administrative requirements.

**Capital Projects Funds**

These funds are used to account for the acquisition or construction of major facilities other than those financed by proprietary fund operations.

TOWNSHIP OF AURELIUS  
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

FIDUCIARY FUNDS

Trust and Agency Funds

These funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include: (a) Expendable Trust Funds; (b) Nonexpendable Trust Funds (c) Pension Trust Fund; and (d) Agency Funds.

ACCOUNT GROUPS

General Fixed Assets Account Group

This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, drains, curbs, and gutters are not capitalized.

CASH, CASH EQUIVALENTS, AND INVESTMENTS

For purposes of the statement of cash flows, demand deposits and short-term investments with a maturity date of three months or less when acquired are considered to be cash equivalents.

Investments are stated at cost.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is used by all Governmental Funds, Agency Funds and Expendable Trust Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual--that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows:

- a. Property tax revenue is recognized in accordance with MCGAA Statement 3:

Properties are assessed and lienied as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.

- b. Payments for inventorable types of supplies are recorded as expenditures at the time of purchase.
- c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

TOWNSHIP OF AURELIUS  
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting:

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to December 1, the Supervisor submits to the Board a proposed operating budget for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them. The budgets are adopted to the activity level.
2. Public hearings are conducted at the Township hall to obtain taxpayer comments.
3. Prior to February 1, the budget is legally enacted through passage of a resolution.
4. Budgets for the governmental fund types and the expendable trust funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Budgeted amounts are as originally adopted, or as amended by the Township Board.

Comparative Data:

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Township's financial position and operations.

Investments:

Investments are stated at cost.

Property Tax and Delinquent Taxes Receivable

Taxes are levied for the Township on December 1. The Township bills and collects its own property taxes. Property taxes not paid to the Township treasurer by the final due date in March are turned over to the County treasurer. The County purchases the delinquent taxes of the Township and normally remits the taxes to the Township the following year. The taxes paid by the county are included as revenue on the Township's books at the preceding March 31 date.

The 2003 Taxable valuation of the Township totaled \$91,507,884 on which ad valorem taxes levied consisted of 0.8649 mills for operating purposes and 0.6000 mills for fire department. These amounts are recognized in the general fund and fire fund.

TOWNSHIP OF AURELIUS  
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

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SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Delinquent Taxes Receivable

	<u>Fire Taxes</u>	<u>Operating Taxes</u>	<u>PTAF</u>	<u>Total</u>
2003 Tax Levy	\$54,897	\$79,137	\$29,435	\$163,469
2003 Taxes Collected	<u>51,293</u>	<u>73,940</u>	<u>27,780</u>	<u>153,013</u>
2003 Taxes Uncollected	3,604	5,197	1,655	10,456
Delinquent Taxes Receivable, April 1	3,894	5,686	2,182	11,762
Delinquent Taxes Collected	3,894	5,686	2,156	11,736
Adjustments	<u>-</u>	<u>-</u>	<u>(26)</u>	<u>(26)</u>
Delinquent Taxes Receivable, March 31	<u>\$ 3,604</u>	<u>\$ 5,197</u>	<u>\$1,655</u>	<u>\$10,456</u>
<u>Summary by Year of Levy</u>				
2003	<u>\$ 3,604</u>	<u>\$ 5,197</u>	<u>\$1,655</u>	<u>\$10,456</u>

Total Columns on Combined Statements - Overview:

Total columns on the Combined Statements - Overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Nor is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

BALANCE SHEET--CASH AND INVESTMENTS

Deposits are carried at cost. Deposits are in three financial institution in the name of Aurelius Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

TOWNSHIP OF AURELIUS  
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

BALANCE SHEET--CASH AND INVESTMENTS (continued)

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>Deposits</u>	
Insured (FDIC)	\$271,805
Uninsured	<u>123,289</u>
Total Deposits	<u>\$395,094</u>

At year end, the balance sheet carrying amount of deposits was \$395,094.

In accordance with GASB Statement 3, investments are classified into three categories of credit risk as follows:

Category 1: Insured or collateralized with securities held by the Township or its agent in the Township's name.

Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.

Category 3: Uncollateralized (includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Township's name).

Investment Type

	(1)	(2)	(3)	<u>Carrying Amount</u>	<u>Market Value</u>
Risk-Categorized:					
Investment Trust	<u>\$161,961</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$161,961</u>	<u>\$161,961</u>

FIXED ASSETS

Changes in Fixed Assets:

	<u>Balance 4/1/03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 3/31/04</u>
Land and improvements	\$385,086	\$13,683	\$ -	\$398,769
Buildings and improvements	352,068	-	-	352,068
Equipment and furniture	<u>148,160</u>	<u>12,723</u>	<u>-</u>	<u>160,883</u>
Totals	<u>\$885,314</u>	<u>\$26,406</u>	<u>\$ -</u>	<u>\$911,720</u>



TOWNSHIP OF AURELIUS  
NOTES TO FINANCIAL STATEMENTS

March 31, 2004

Interfund Receivables and Payables

Interfund receivables and payables as of March 31, 2004 are as follows:

	<u>Receivables</u>	<u>Payables</u>
General	\$1,000	\$ -
Current Tax Collection	<u>-</u>	<u>1,000</u>
<u>Totals</u>	<u>\$1,000</u>	<u>\$1,000</u>

Employees' Retirement System - Defined Contribution

Plan Description

The Township has a defined contribution pension plan covering all elected officials who choose to belong to the plan. This benefit is an insurance-type plan administered by Principal Mutual Life Insurance Co. under the provisions of Section 401(a) of the Internal Revenue Code.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on the investments of those contributions, and forfeitures of other participants' benefits that may be allocated to such participant's account. The plan requires the employer to contribute 12 ½ percent of the participating employee's gross wages, with immediate vesting.

During the year, the Township's required and actual contributions amounted to \$13,179 which was 12 ½ percent of its current year covered payroll. The plan is funded through Principal Mutual Life Insurance Co.

TOWNSHIP OF AURELIUS  
GENERAL FUND

BALANCE SHEET

March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Cash on hand	\$ 783.39	\$ 736.70
Cash in bank - checking	13,626.43	15,542.16
Cash in bank - savings	71,859.74	48,668.10
Certificates of deposit	158,178.17	165,649.21
Delinquent taxes receivable	6,852.64	7,867.88
Due from tax fund	<u>1,000.00</u>	<u>1,000.00</u>
<u>Total Assets</u>	<u>\$ 252,300.37</u>	<u>\$ 239,464.05</u>
<u>Liabilities</u>		
Special use bond	\$ 1,600.00	\$ 1,600.00
<u>Fund Balance</u>		
Unreserved	<u>250,700.37</u>	<u>237,864.05</u>
<u>Total Liabilities and Fund Balance</u>	<u>\$ 252,300.37</u>	<u>\$ 239,464.05</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance- Favorable (Unfavorable)	3/31/03 Actual
	Budget	Actual		
<u>Revenues</u>				
Taxes:				
Current property taxes		\$ 79,136.67		\$ 74,596.28
Interest and penalties on taxes		1,406.11		1,560.86
Excess of roll		1.17		-
Property tax administration fees		29,434.88		29,236.69
Summer tax collection fees		8,145.50		6,937.23
Total Taxes	\$ 122,200.00	118,124.33	\$ (4,075.67)	112,331.06
Licenses and permits:				
Building permits		22,663.00		28,361.00
Mechanical permits		9,422.00		9,502.00
Electrical permits		11,882.00		9,970.00
Special use permits		1,050.00		700.00
Variance fees		-		1,050.00
Plat fees		679.00		130.00
Land division applications		1,400.00		2,100.00
Cable TV franchise fees		6,866.25		6,785.10
Total Licenses and Permits	74,500.00	53,962.25	(20,537.75)	58,598.10
State grants:				
State revenue sharing		229,029.00		249,119.00
State metro P.A. 48		1,515.15		-
Total State Grants	250,000.00	230,544.15	(19,455.85)	249,119.00
Charges for services:				
Other fees		19.05		-
Fax usage		325.00		358.00
Grave openings		900.00		450.00
Sales of cemetery lots		3,275.00		3,200.00
Sales - miscellaneous		127.00		235.81
Total Charges for Services	4,800.00	4,646.05	(153.95)	4,243.81
Forward	\$ 451,500.00	\$ 407,276.78	\$ (44,223.22)	\$ 424,291.97

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance-	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Forwarded</u>	\$ 451,500.00	\$ 407,276.78	\$ (44,223.22)	\$ 424,291.97
Miscellaneous:				
Interest earned		1,462.36		2,527.25
Rents and royalties		4,456.00		4,118.00
Reimbursements		3,418.87		-
Refunds		167.90		-
Library reimbursements		<u>5,017.24</u>		<u>6,127.71</u>
Total Miscellaneous	<u>15,500.00</u>	<u>14,522.37</u>	<u>(977.63)</u>	<u>12,772.96</u>
<u>Total Revenues</u>	467,000.00	421,799.15	(45,200.85)	437,064.93
<u>Expenditures</u>				
Township board:				
Salaries		30,684.11		31,967.78
Office supplies		5,982.53		6,258.54
Postage		3,087.79		4,261.08
Professional services		20,736.56		17,943.17
Telephone		3,018.19		2,692.69
Printing and publishing		1,953.99		1,691.23
Insurance		23,332.00		21,034.00
Equipment maintenance		6,294.18		6,394.26
Rentals		459.00		758.50
Dues		2,344.56		2,362.76
Education		2,782.08		5,854.96
Miscellaneous		<u>145.48</u>		<u>177.62</u>
Total Township Board Forward	\$ 116,570.00	\$ 100,820.47	\$ 15,749.53	\$ 101,396.59

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance-	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
Forwarded	\$ 116,570.00	\$ 100,820.47	\$ 15,749.53	\$ 101,396.59
Supervisor:				
Salaries	15,956.00	15,906.00	50.00	20,904.00
Elections:				
Salaries		841.00		3,178.25
Supplies		176.71		159.70
Professional services		283.34		404.90
Printing and publishing		160.10		388.88
Total Elections	7,155.00	1,461.15	5,693.85	4,131.73
Assessor:				
Salaries		22,511.75		22,135.75
Miscellaneous		-		-
Total Assessor	22,662.00	22,511.75	150.25	22,135.75
Clerk:				
Salaries		22,636.00		21,761.00
Miscellaneous		-		13.00
Total Clerk	22,686.00	22,636.00	50.00	21,774.00
Forward	\$ 185,029.00	\$ 163,335.37	\$ 21,693.63	\$ 170,342.07

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance- Favorable (Unfavorable)	3/31/03 Actual
	Budget	Actual		
Forwarded	\$ 185,029.00	\$ 163,335.37	\$ 21,693.63	\$ 170,342.07
Board of review:				
Salaries		850.00		870.00
Supplies		114.20		-
Printing and publishing		612.39		372.29
Total Board of Review	1,785.00	1,576.59	208.41	1,242.29
Treasurer:				
Salaries		24,660.00		23,890.75
Miscellaneous		-		-
Total Treasurer	24,710.00	24,660.00	50.00	23,890.75
Hall and grounds:				
Maintenance supplies		1,176.38		1,190.90
Contracted maintenance		15,170.75		12,482.10
Utilities and heat		5,632.93		5,773.67
Repairs and maintenance		1,388.01		743.75
Rentals		818.00		804.00
Total Hall and Grounds	26,230.00	24,186.07	2,043.93	20,994.42
Land Division:				
Salaries	1,000.00	805.00	195.00	735.00
Forward	\$ 238,754.00	\$ 214,563.03	\$ 24,190.97	\$ 217,204.53

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance- Favorable (Unfavorable)	3/31/03 Actual
	Budget	Actual		
Forwarded	\$ 238,754.00	\$ 214,563.03	\$ 24,190.97	\$ 217,204.53
Cemetery:				
Salaries		4,633.37		4,045.00
Supplies		25.35		306.00
Repairs and maintenance		12,292.00		10,234.00
Total Cemetery	18,190.00	16,950.72	1,239.28	14,585.00
Police:				
Contracted services	4,950.00	4,944.43	5.57	4,795.66
Building inspection:				
Salaries		13,720.00		14,735.00
Transportation		964.08		1,193.56
Miscellaneous		115.00		76.50
Total Building Inspection	18,900.00	14,799.08	4,100.92	16,005.06
Site inspection:				
Salaries		1,520.00		2,065.00
Transportation		177.12		164.48
Total Site Inspection	2,850.00	1,697.12	1,152.88	2,229.48
Mechanical inspection:				
Salaries		5,250.00		4,270.00
Transportation		801.00		692.64
Miscellaneous		457.50		447.50
Total Mechanical Inspection	7,600.00	6,508.50	1,091.50	5,410.14
Forward	\$ 291,244.00	\$ 259,462.88	\$ 31,781.12	\$ 260,229.87

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance- Favorable (Unfavorable)	3/31/03 Actual
	Budget	Actual		
Forwarded	\$ 291,244.00	\$ 259,462.88	\$ 31,781.12	\$ 260,229.87
Electrical inspection:				
Salaries		8,400.00		5,532.52
Transportation		911.16		711.72
Miscellaneous		795.00		1,151.90
Total Electrical Inspection	11,780.00	10,106.16	1,673.84	7,396.14
Planning and zoning:				
Salaries		7,381.63		1,965.00
Supplies		375.00		200.00
Transportation		31.68		-
Printing and publishing		1,381.74		289.30
Total Planning and Zoning	11,480.00	9,170.05	2,309.95	2,454.30
Drain at large:				
County drain	13,690.00	13,686.07	3.93	11,213.81
Highways and streets:				
Contracted services	42,900.00	42,897.61	2.39	23,625.00
Street lighting:				
Utilities	1,200.00	1,029.42	170.58	1,036.83
Sanitation:				
Contracted services		2,888.00		3,507.50
Printing and publishing		553.47		448.62
Total Sanitation	4,600.00	3,441.47	1,158.53	3,956.12
Forward	\$ 376,894.00	\$ 339,793.66	\$ 37,100.34	\$ 309,912.07



TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance- Favorable (Unfavorable)	3/31/03 Actual
	Budget	Actual		
Forwarded	\$ 376,894.00	\$ 339,793.66	\$ 37,100.34	\$ 309,912.07
Parks and recreation:				
Salaries		3,813.00		2,380.00
Supplies		204.99		307.01
Contracted services		16,898.97		19,598.56
Repairs and maintenance		-		1,450.00
Total Parks and Recreation	24,325.00	20,916.96	3,408.04	23,735.57
Library:				
Custodial services		2,700.00		2,700.00
Utilities		2,300.43		2,483.39
Repairs and maintenance		72.00		72.00
Total Library	5,822.00	5,072.43	749.57	5,255.39
Other functions:				
Pension plan		14,959.27		14,446.22
Employer's social security and medicare		2,575.19		2,423.79
Miscellaneous		-		13.17
Contingencies		-		-
Total Other Functions	18,850.00	17,534.46	1,315.54	16,883.18
Capital outlay:				
Township board		7,085.00		13,553.54
Hall and grounds		197.79		21,744.52
Cemetery		2,851.30		7,749.00
Parks and recreation		16,571.66		302.45
Total Capital Outlay	\$ 40,580.00	\$ 26,705.75	\$ 13,874.25	\$ 43,349.51

TOWNSHIP OF AURELIUS  
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance-	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
Total Expenditures	\$ 466,471.00	\$ 410,023.26	\$ 56,447.74	\$ 399,135.72
Excess (Deficiency) of Revenues over Expenditures	529.00	11,775.89	11,246.89	37,929.21
<u>Other Sources(uses)</u>				
Transfers from Cemetery Fund	2,100.00	2,060.43	(39.57)	2,067.15
Transfers to Park Fund	-	(1,000.00)	(1,000.00)	-
Total Other Sources (uses)	2,100.00	1,060.43	(1,039.57)	2,067.15
Excess (Deficiency) of Revenues and Other Sources over Expenditures and other uses	2,629.00	12,836.32	10,207.32	39,996.36
Fund Balance, April 1	237,864.05	237,864.05	-	197,867.69
<u>Fund Balance, March 31</u>	<u>\$ 240,493.05</u>	<u>\$ 250,700.37</u>	<u>\$ 10,207.32</u>	<u>\$ 237,864.05</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
FIRE FUND

BALANCE SHEET

March 31, 2004 and 2003

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	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Cash in bank - savings	\$ 92,000.07	\$ 68,724.11
Delinquent taxes receivable	<u>3,603.46</u>	<u>3,893.89</u>
<u>Total Assets</u>	<u>\$ 95,603.53</u>	<u>\$ 72,618.00</u>
<u>Fund Balance - Reserved</u>	<u>\$ 95,603.53</u>	<u>\$ 72,618.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
FIRE FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004  
With Comparative Totals for Year Ended March 31, 2003

	3/31/04		Variance-	3/31/03
	Budget	Actual	Favorable (Unfavorable)	Actual
<u>Revenues</u>				
Taxes:				
Current property taxes	\$ 56,000.00	\$ 54,897.13	\$ (1,102.87)	\$ 51,157.58
Charges for services:				
Fire runs	4,000.00	12,235.13	8,235.13	4,635.00
Miscellaneous:				
Interest earned	900.00	488.77	(411.23)	819.31
<u>Total Revenues</u>	60,900.00	67,621.03	6,721.03	56,611.89
<u>Expenditures</u>				
Fire:				
Contracted services	46,800.00	44,635.50	2,164.50	45,953.75
Excess of Revenues over Expenditures	14,100.00	22,985.53	8,885.53	10,658.14
Fund Balance, April 1	72,618.00	72,618.00	-	61,959.86
<u>Fund Balance, March 31</u>	<u>\$ 86,718.00</u>	<u>\$ 95,603.53</u>	<u>\$ 8,885.53</u>	<u>\$ 72,618.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
PARK FUND

BALANCE SHEET

March 31, 2003 and 2002

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Assets

Cash in bank - savings

\$ 9,382.39

Fund Balance - Reserved

\$ 9,382.39

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
PARK FUND

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

Year Ended March 31, 2004

	3/31/04		
	Budget	Actual	Variance- Favorable (Unfavorable)
<u>Revenues</u>			
Miscellaneous:			
Contributions from private sources	\$ 3,000.00	\$ 8,372.39	\$ 5,372.39
Interest earned	15.00	10.00	(5.00)
<u>Total Revenues</u>	\$ 3,015.00	\$ 8,382.39	\$ 5,367.39
<u>Expenditures</u>			
Parks:			
Capital outlay	-	-	-
Excess of Revenues over Expenditures	3,015.00	8,382.39	5,367.39
<u>Other Sources</u>			
Transfers from General Fund	-	1,000.00	1,000.00
Excess of Revenues and other Sources over Expenditures	3,015.00	9,382.39	6,367.39
Fund Balance, April 1	-	-	-
<u>Fund Balance, March 31</u>	<u>\$ 3,015.00</u>	<u>\$ 9,382.39</u>	<u>\$ 6,367.39</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
FIDUCIARY FUNDS

COMBINING BALANCE SHEET

March 31, 2004  
With Comparative Totals for March 31, 2003

	Pension Trust Fund	Cemetery Perpetual Care Fund	Agency Funds	Totals	
				3/31/04	3/31/03
<b>Assets</b>					
Cash	\$ -	\$ 48,264.00	\$ 1,000.00	\$ 49,264.00	\$ 46,239.00
Investments	161,960.55	-	-	161,960.55	142,632.53
<b><u>Total Assets</u></b>	<b><u>\$ 161,960.55</u></b>	<b><u>\$ 48,264.00</u></b>	<b><u>\$ 1,000.00</u></b>	<b><u>\$ 211,224.55</u></b>	<b><u>\$ 188,871.53</u></b>
<b><u>Liabilities</u></b>					
Due to general fund	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
<b><u>Fund Balances</u></b>					
Reserved	161,960.55	48,264.00	-	210,224.55	187,871.53
<b><u>Total Liabilities and Fund Equity</u></b>	<b><u>\$ 161,960.55</u></b>	<b><u>\$ 48,264.00</u></b>	<b><u>\$ 1,000.00</u></b>	<b><u>\$ 211,224.55</u></b>	<b><u>\$ 188,871.53</u></b>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
CEMETERY PERPETUAL CARE FUND

BALANCE SHEET

March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Cash in bank - savings	\$ 6,475.00	\$ 3,450.00
Certificates of deposit	<u>41,789.00</u>	<u>41,789.00</u>
<u>Total Assets</u>	<u>\$ 48,264.00</u>	<u>\$ 45,239.00</u>
<u>Fund Balance</u>		
Non-expendable trust	<u>\$ 48,264.00</u>	<u>\$ 45,239.00</u>

See accompanying notes to financial statements.



TOWNSHIP OF AURELIUS  
PENSION TRUST FUND

## BALANCE SHEET

March 31, 2004 and 2003

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	<u>3/31/04</u>	<u>3/31/03</u>
<u>Assets</u>		
Investments	<u>\$ 161,960.55</u>	<u>\$ 142,632.53</u>
<u>Fund Balance</u>		
Reserved	<u>\$ 161,960.55</u>	<u>\$ 142,632.53</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
PENSION TRUST FUND

STATEMENT OF CHANGES IN PLAN ASSETS

Years Ended March 31, 2004 and 2003

	<u>3/31/04</u>	<u>3/31/03</u>
<u>Additions</u>		
Investment income:		
Interest and dividends	\$ 6,148.75	\$ 5,566.18
Contributions:		
Employer	<u>13,179.27</u>	<u>12,666.22</u>
Total Additions	19,328.02	18,232.40
<u>Deductions</u>		
Administrative expenses	<u>-</u>	<u>1,779.96</u>
Net Increase	19,328.02	16,452.44
Fund Balance:		
Beginning of Year	<u>142,632.53</u>	<u>126,180.09</u>
End of Year	<u><u>\$ 161,960.55</u></u>	<u><u>\$ 142,632.53</u></u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Year Ended March 31, 2004

	Balance 4/1/03	Additions	Deductions	Balance 3/31/04
<u>Current Tax Collection Fund</u>				
Assets:				
Cash	\$ 1,000.00	\$ 2,891,163.00	\$ 2,891,163.00	\$ 1,000.00
Liabilities:				
Due to county	\$ -	\$ 940,281.29	\$ 940,281.29	\$ -
Due to state	-	436,579.59	436,579.59	-
Due to schools	-	1,359,973.29	1,359,973.29	-
Due to general fund	1,000.00	103,042.76	103,042.76	1,000.00
Due to fire fund	-	51,286.07	51,286.07	-
<u>Total Liabilities</u>	<u>\$ 1,000.00</u>	<u>\$ 2,891,163.00</u>	<u>\$ 2,891,163.00</u>	<u>\$ 1,000.00</u>

See accompanying notes to financial statements.

TOWNSHIP OF AURELIUS  
CURRENT TAX COLLECTION FUND

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Year Ended March 31, 2004

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<u>Balance, April 1</u>		\$ 1,000.00
<u>Receipts</u>		
Current property taxes	\$ 2,859,424.46	
Interest on investments	1,334.04	
Property tax administration fees	27,777.41	
Penalties on taxes	<u>2,627.09</u>	
Total Receipts		<u>2,891,163.00</u>
Total Receipts and Balance, April 1		2,892,163.00
<u>Disbursements</u>		
Ingham County	940,281.29	
State of Michigan	436,579.59	
Mason schools	453,744.88	
Eaton Rapids schools	140,136.28	
Ingham Intermediate schools	427,206.52	
Eaton Intermediate schools	66,935.27	
Lansing Community college	271,950.34	
General Fund	103,042.76	
Fire Fund	<u>51,286.07</u>	
Total Disbursements		<u>2,891,163.00</u>
<u>Balance, March 31</u>		<u>\$ 1,000.00</u>

See accompanying notes to financial statements.